

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 1865 – HB 2181

April 18, 2018

SUMMARY OF ORIGINAL BILL: Establishes a fund for the Department of Correction (DOC) to disperse one-time grants to supplement the funds for local reentry programs that have been proven to reduce recidivism rates for four counties that meet certain criteria.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Revenue - \$2,000,000/FY18-19/Dedicated Grant Fund

Increase State Expenditures – \$2,000,000/FY18-19/General Fund
\$1,500,000/FY18-19/Dedicated Grant Fund
\$250,000/FY19-20/Dedicated Grant Fund
\$250,000/FY20-21/Dedicated Grant Fund

Increase Local Revenue – \$1,500,000/FY18-19
\$250,000/FY19-20
\$250,000/FY20-21

SUMMARY OF AMENDMENT (017478): Reduces the amount of the grants to \$250,000 each, and the total cost of the program to \$1,000,000.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Revenue - \$1,000,000/FY18-19/Dedicated Grant Fund

Increase State Expenditures – \$1,000,000/FY18-19/General Fund
\$750,000/FY18-19/Dedicated Grant Fund
\$125,000/FY19-20/Dedicated Grant Fund
\$125,000/FY20-21/Dedicated Grant Fund

Increase Local Revenue – \$750,000/FY18-19
\$125,000/FY19-20
\$125,000/FY20-21

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Assumptions for the bill as amended:

- Pursuant to the preamble clause for this legislation, it is the intent of the General Assembly that a non-recurring sum of \$1,000,000 be appropriated to the DOC in the FY18-19 general appropriations act for the sole purpose of making grants to fund a three-year successful reentry program in two counties that meet the requirements of this legislation.
- The proposed legislation requires the DOC to make four grants of \$250,000 to local county sheriffs or probation departments to fund reentry programs that reduce recidivism and probation revocations.
- The DOC must develop guidelines for grant proposals for counties with established reentry programs that have proven to reduce recidivism rates.
- This legislation establishes priority for programs that seek a targeted reduction in recidivism or probation revocations. All reduction numbers must be based on data from the previous three years.
- An upfront grant payment of \$187,500 will be made to the county that is awarded the grant, and once that county has met clearly measureable outcomes indicating that they have reduced their recidivism rate, the remaining \$62,500 will be awarded. It is assumed that the applicable local entities will reduce recidivism sufficiently to be awarded the \$62,500 portion of the grants.
- The DOC will administer the funds and can accommodate this within their existing resources.
- The total increase in state expenditures from the General Fund in FY18-19 to the dedicated DOC fund is estimated to be \$1,000,000 (4 grants x \$250,000). As a result, there will be an increase in state revenue to the dedicated grant fund estimated to be \$1,000,000 in FY18-19.
- Four grant payments of \$187,500 will be paid from the dedicated grant fund in the first year (FY18-19). Therefore, the increase in state expenditures from the dedicated grant fund in FY18-19 is estimated to be \$750,000 (\$187,500 x 4).
- Two local entities are assumed to qualify for the second portion of the grant in FY19-20 and the other two entities in FY20-21. Therefore, the increase in state expenditures from the dedicated grant fund is estimated to be \$125,000 (\$62,500 x 2) in each FY19-20 and FY20-21 respectively.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

Handwritten signature of Krista M. Lee in blue ink, with the letters "RNC" written in smaller ink to the right of the signature.

Krista M. Lee, Executive Director

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